



GENERAL COUNSEL

DEPARTMENT OF THE TREASURY
WASHINGTON

January 4, 2002

M. Claude Nicati
Substitut du Procureur General
Tanbenstrasse 16
3003 Bern
SWITZERLAND

BY TELECOPIER
011-41-31-322-4507

Re: Al Taqwa/Nada Management Organization

Dear Mr. Nicati:

This letter is provided to you pursuant to your request under the mutual legal assistance treaty between the United States and Switzerland in connection with the action taken by the Government of Switzerland to block assets of Youssef (also spelled "Yusuf") M. Nada and Nada Management Organization. Although some of the information concerning Nada comes from sensitive sources that we cannot disclose, we have agreed to provide you with an unclassified summary of certain information concerning Nada. We believe that this information is generally reliable and, taken as a whole, supports the decision to block the assets of Nada and Nada Management Organization. This summary may be disclosed publicly in legal proceedings.

Based upon information available to the United States Government, we have a reasonable basis to believe that Nada and his affiliated companies have a history of financing and facilitating the activities of terrorists and terrorist-related organizations.

Bank Al Taqwa (occasionally misspelled as "Taqua" in some press reports) was established in 1988 with significant backing from the Egyptian Muslim Brotherhood,¹ and it has long been thought to be involved in financing radical groups like the Palestinian HAMAS, Algeria's Islamic Salvation Front and Armed Islamic Group, and Tunisia's An-Nahda. Bank Al Taqwa was founded in the Bahamas and is a close affiliate

¹ Although the Muslim Brotherhood has not been designated by the United States Government, the organization is outlawed in Egypt and authorities there have long argued, according to press reports, that it is a front for terrorists. The Islamic Jihad is a splinter of the Muslim Brotherhood and, with the Gema'a al-Islamiya, were responsible for the assassination of Anwar Sadat, according to press accounts.

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of Al Taqwa Management Organization. The organization changed its name to Nada Management Organization in the spring of 2000.

In 1997, it was reported that the \$60 million collected annually for HAMAS from all parts of the world were moved to accounts with Al Taqwa. As shown below, this close association with the financing of terrorists has continued unchecked.

The Malta and Lugano, Switzerland branch offices of the Al Taqwa Management Organization receive money that "pours in" from Kuwait and the United Arab Emirates for Usama bin Laden. Jordan has accused Bank Al Taqwa in the Bahamas of having financed a network linked to bin Laden and of plotting terror attacks against Western and tourist targets during the millennium celebrations.

As of late September 2001, bin Laden and his Al Qa'ida organization received financial assistance from Youssef M. Nada and Ali bin Mussalim. Nada has a controlling interest in, and is chairman of, Bank Al Taqwa, and Mussalim is involved in Bank Al Taqwa operations. Since the 1980s, following the pullout of the Soviet army from Afghanistan, Mussalim, assisted by Nada, has been providing indirect investment services for Al Qa'ida, investing funds for bin Laden, and making cash deliveries on request to the Al Qa'ida organization.

As of October 2000, Bank Al Taqwa appeared to be providing a clandestine line of credit for a close associate of Usama bin Laden. This bin Laden lieutenant had a line of credit with a Middle East financial institution that drew on an identical account number at Bank Al Taqwa. Unlike other accounts – even accounts of private banking customers – this account was blocked by the computer system and special privileges were required to access it. No identifiable names were associated with the account. These circumstances are highly unusual, and may have been done to conceal the association of the bin Laden organization with Bank Al Taqwa.

Youssef Nada confirmed in an interview with the Al-Jazeera television station that he is a member of the Muslim Brotherhood. He denied that he had ever met or had contact with Usama bin Laden, although Nada acknowledged that members of the bin Laden family, other than Usama bin Laden, had invested in the bank. Press accounts, however, have linked Nada with Usama bin Laden. Nada also acknowledged having personal ties with Saddam Hussein. According to Syrian political analyst Sami Moubayed, Nada was implicated in a failed assassination attempt on the late Egyptian president Gamal Abdul Nasser in 1954. Nada fled Egypt and has been a fugitive from that country for many decades.

One of the Al Taqwa board members, Ahmed Huber, confirmed that he had met with members of bin Laden's organization in Beirut. Huber has defended the bombing of the World Trade Center buildings and the Pentagon. He is well known for his extreme anti-Israel views. In 1989, he supported the "fatwa" calling for the death of author Salman Rushdie.

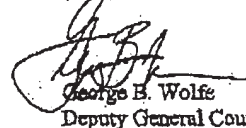
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Bank Al Taqwa and a founder and director, Ahmed Idris Nasreddin, have been supporters of an Islamic center in Milan, Italy which may be Al Qa'ida's most important base in Europe. The ICI and its members have been linked to several terrorist plots, including the 1993 World Trade Center bombing and a failed scheme to bomb the U.S. embassy in Rome.

An investigation of the ICI following the arrest in Italy of Egyptian and Jordanian extremists, revealed that these individuals carried out their work at the ICI. In addition, the investigation uncovered links between the ICI and organizations controlled by Nasreddin in the Bahamas. Some ICI members were directly in contact with Bank Al Taqwa.

As noted previously, this is a summary of information concerning Nada and his companies that we can release at this time. If we are able to release additional information in the future we will notify you.

Sincerely,



George E. Wolfe
Deputy General Counsel